

INTERNATIONAL TRADE ADMINISTRATION

The International Trade Administration (ITA) strives to increase the competitiveness of U.S. business in the world economy by promoting U.S. exports, fighting unfair foreign trade barriers, and negotiating and implementing multilateral and bilateral trade agreements. ITA's objectives are accomplished through the following five program areas:

Trade Development (TD) is the home of the Advocacy Center and the Department's advocacy program on behalf of U.S. industry in the global competition for overseas contracts. Through such programs as the Trade Information Center (1-800-USA TRADE), TD uses its unique industry sector expertise to counsel American businesses and promote trade. TD is responsible for negotiating and enforcing industry sector trade agreements such as those on autos, textiles and aircraft.

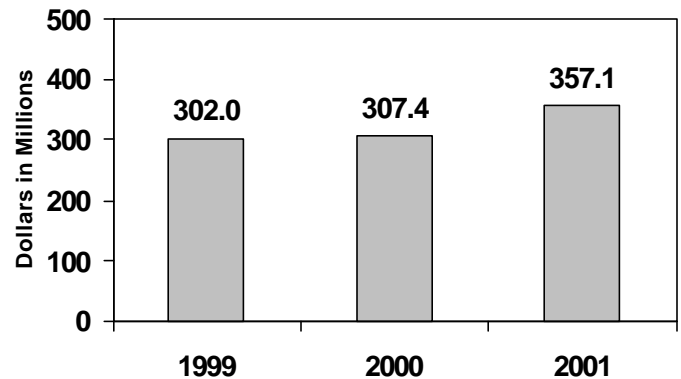
Market Access and Compliance (MAC) identifies market access barriers and the means to overcome them, assists in the formulation of U.S. bilateral and multilateral trade policies to achieve greater market access, and provides counseling and assistance to U.S. businesses seeking access to markets in specific countries or regions. Through the Trade Compliance Center (TCC), ITA systematically monitors, investigates, and evaluates foreign compliance with multilateral, bilateral, and other international trade agreements.

Import Administration (IA) defends American firms from injurious practices by administering the U.S. antidumping and countervailing duty laws in a manner consistent with U.S. international obligations.



© NOAA

ITA Funding



The United States and Foreign Commercial Service (US&FCS) provides export counseling and export promotion services to U.S. businesses through a network of offices in 47 States, Puerto Rico and 86 foreign countries. The US&FCS develops and distributes information products and conducts trade shows and trade fairs overseas.

Administration and Executive Direction provides policy leadership and administrative services for ITA's four other subdivisions, including office automation and information technology support systems, human resources services, financial management, and general administrative assistance.

For FY 2001, ITA's budget supports the following initiatives:

Substantially Increase Trade Compliance - MAC and IA will attack trade compliance and market access problems confronting U.S. exporters through a substantial increase in staff addressing Asia trade compliance issues related to China, Japan and Taiwan, by deploying attachés in key markets to conduct AD/CVD verifications and other measures.

Enhance the U.S. Statistical Infrastructure - ITA will continue to provide American businesses, governmental units, and the general public with statistical information necessary to improve their ability to export. ITA will improve the information crucial to decision-making by businesses and policy makers. ITA strongly supports accurate and timely trade statistics to ensure the Nation has a full accounting of the impact of foreign trade. In FY 2001, ITA will expand its trade statistics effort by collecting critical data at the State, metropolitan, and local level. Current data are biased towards larger metropolitan areas; small towns, cities, and local governments will benefit from having more accurate data.



Accelerating the Transition to Electronic Commerce - Efforts within this initiative include automation of information and services for exporters and potential exporters, and electronic commerce expansion. In FY 2001, ITA will greatly expand its use of electronic commerce methodologies to improve service delivery and better assist small and medium-sized enterprises to use electronic commerce to increase exports. ITA will also expand its virtual trade missions and trade shows to enable SMEs that adopt e-commerce business models to increase their exports to global markets.

Native American Economic Development - ITA will strengthen its focus on aiding native Americans to become exporters, enter new markets, and increase exports in established markets. In FY 2001, ITA also intends to increase travel and tourism which focuses on the Native American cultural heritage.

ITA Performance Measures

For FY 2001, ITA has identified a series of performance measures which can be used to assess the impact of its program activities. This list of measures focuses on ITA's priority programs and is not intended to cover every dollar in ITA's budget. In addition, the list of measures can be expected to evolve over time, as ITA, its programs, the Department of Commerce, and the Federal Government as a whole continue to refine and enhance their capacity to develop performance measures, to use performance measurement as a key management tool, and fully implement the GPRA. Most measures cut across ITA organizational lines, and thus the list contains mostly functional (rather than organizational) activities. A more detailed presentation of goals, objectives, and performance measures is found in the Department's Annual Performance Plan and ITA's budget justification.

Stimulating Manufacturing and Environmental Technology - ITA will increase its efforts to assist U.S. firms to become exporters, aid exporters in entering new markets or increase exports in established markets, protect U.S. firms from unfair foreign competition, and ensure that American firms reap the benefits of approximately 250 international trade agreements. In FY 2001, ITA will work in partnership with NOAA and NIST in assisting American firms to take advantage of a rapidly growing world market for environmental technology. ITA proposes investing in training, outreach, and new staff to increase U.S. exports in a number of key markets. In addition, ITA will continue to participate in an interagency initiative to focus an array of trade promotion activities across the Federal government on this opportunity.

SUMMARY OF APPROPRIATIONS

(Dollars in Thousands)

Funding Levels

			2001	Increase
Appropriation, Gross	<u>1999</u>	<u>2000</u>	<u>Estimate</u>	<u>(Decrease)</u>
Operations and Administration	\$283,952	\$310,448	\$360,147	\$49,699
Anticipated fee collections	0	(3,000)	(3,000)	0
Transfer of Y2K funds from GA		0	0	0
Security Transfer from State Dept. (P.L. 105-277)	8,000	0	0	0
Transfer from AID (P.L. 87-95)	846	0	0	0
Transfer from AID (P.L. 87-95)	9,220	0	0	0
TOTAL BUDGET AUTHORITY	302,018	307,448	357,147	49,699

PERMANENT POSITIONS

Operations and Administration	2,518	2,526	2,728	202
Reimbursable	16	30	30	0
Total	2,534	2,556	2,758	202

HIGHLIGHTS OF BUDGET CHANGES

APPROPRIATION: Operations and Administration

Summary of Requirements

	<u>Detailed</u>		<u>Summary</u>	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
2000 Enacted			2,526	\$307,448
Adjustments to Base				
<u>Transfers:</u>				
Transfer from NIST / STRS			2	750
Working Capital Fund - transfer to GA security				(804)
<u>Adjustments:</u>				
Grants				(12,755)
<u>Other Changes</u>				
2000 Pay raise		\$1,573		
2001 Pay raise		3,418		
Payment to the Working Capital Fund		220		
Full year cost of positions financed in FY FY 2000	2	109		
Within-grade step increases		1,235		
One less compensable day		(596)		
Civil Service Retirement System(CSRS)		(338)		
Federal Employees' Retirement System(FERS)		190		
Thrift Savings Plan		79		
Federal Insurance Contributions Act (FICA) -OASDI		320		
Health insurance		522		
Employees' Compensation Fund		(145)		
Travel				
Common carrier / Travel Management Centers		239		
Rent payments to GSA		306		
RRB International Trade Center Space		1,890		
Printing and reproduction		61		
NARA Storage and Maintenance		(2)		
Other services:				
Working Capital Fund		186		
Working Capital Fund Restoration	1	1,205		
Executive Development & Leadership training		155		
Commerce Administrative Management System (CAMS)		783		
Department of Interior accounting system		2,175		
International Cooperative Support Service (ICASS)		2,900		
Local guard security services overseas		2,000		
Overseas wage increases		994		
Overseas price increases		425		

	<u>Detailed</u>		<u>Summary</u>	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
General Pricing Level Adjustment:				
Transportation of things		8		
Communications, Utilities & misc.		16		
Other services		348		
Supplies and materials		43		
Equipment		52		
Rent payments to others		137		
Subtotal, other cost changes			3	20,508
TOTAL, ADJUSTMENTS TO BASE			5	7,699
2001 Base			2,531	315,147
Program Changes			197	42,000
2001 NET APPROPRIATION			2,728	357,147
Anticipated Fee Collection			0	3,000
2001 GROSS APPROPRIATION			2,728	360,147

Comparison by Activity

	2000 Currently Avail		2001 Base		2001 Estimate		Increase / Decrease	
	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>	<u>Perm Pos</u>	<u>Amount</u>
DIRECT OBLIGATIONS								
Trade Development	445	\$61,899	445	\$50,892	464	\$62,192	19	\$11,300
Market Access and Compliance	205	28,336	205	20,347	281	28,847	76	8,500
Import Administration	344	32,190	344	34,057	432	46,757	88	12,700
U.S. & Foreign Commercial Service	1,389	184,420	1,393	193,533	1,407	203,033	14	9,500
Administration	143	12,099	144	16,318	144	16,318	0	0
TOTAL DIRECT OBLIGATIONS	2,526	318,944	2,531	315,147	2,728	357,147	197	42,000
REIMBURSABLE OBLIGATIONS	30	30,600	30	30,600	30	30,600	0	0
TOTAL OBLIGATIONS	2,556	349,544	2,561	345,747	2,758	387,747	197	42,000
FINANCING								
Unobligated balance, start of year		(11,496)				0		
Unobligated balance, transferred						0		
Offsetting collections from:								
Federal funds		(4,650)				(4,650)		
Non-Federal sources	(30)	(25,950)			(30)	(25,950)		
Subtotal, financing	(30)	(42,096)			(30)	(30,600)		
TOTAL BUDGET AUTHORITY	2,526	307,448			2,728	357,147		
Anticipated Fee Collections		3,000			0	3,000		
GROSS APPROPRIATION	2,526	310,448			2,728	360,147		

Highlights of Program Changes

	<u>Base</u>		<u>Increase / Decrease</u>	
	<u>Permanent Positions</u>	<u>Amount</u>	<u>Permanent Positions</u>	<u>Amount</u>
<u>Trade Development</u>	445	\$50,892	+19	+\$11,300

TD, in concert with US&FCS, will increase manufacturers' exports through an initiative which incorporates the U.S.'s competitive strength and comparative international advantage in advanced technology and communications. We will focus special attention on the new business framework arising from E-commerce, and the untapped export potential of SMEs (+7 pos.; +\$3,000). TD will also work closely with US&FCS on two other initiatives. First, under a broader DOC and interagency initiative, TD will promote U.S. exports which support global clean energy, environmental health, and sustainable development (+6 pos.; +\$3,600). Second, under an interagency cultural heritage community development export initiative regarding Native American communities, ITA will TD will increase the communities' exporting capacity as a tool for economic development, export growth, and building community pride. The initiative will also allow the Federal government to provide research data to drive this proposal. (+4 pos.; +\$4,000). TD will also improve trade/exporter data and close gaps in DOC's statistical and analytical programs (+2 pos.; +\$700).

<u>Market Access and Compliance</u>	205	20,347	+76	+\$8,500
-------------------------------------	-----	--------	-----	----------

MAC, in combination with IA, and using a multi-faceted approach, will attack trade compliance and market access problems confronting U.S. exporters. Specifically, MAC will compile and evaluate evidence of infractions of particular trade laws, trade agreements, and market access rules world-wide, and with special attention devoted to China, Japan, Taiwan, and the EU. Multi-lateral negotiations support will also be accomplished. (+76 pos.; +\$8,500).

<u>Import Administration</u>	344	34,057	+88	+\$12,700
------------------------------	-----	--------	-----	-----------

In their portion of the joint initiative with MAC, IA will deploy specially-trained attaches in key foreign markets to conduct ongoing, on-site AD/CVD verification and training, give technical support to headquarters on Suspension Agreement Negotiations, and conduct market studies (+88 pos.; +\$12,700).

<u>United States & Foreign Commercial Service</u>	1,393	193,533	+14	+\$9,500
---	-------	---------	-----	----------

US&FCS will increase its delivery of services to SMEs by developing virtual trade shows and trade missions. This E-commerce based program provides a less costly way for SMEs to obtain export assistance for SMEs (+2 pos.; +\$1,600). In concert with TD, US&FCS will increase manufacturers' exports through a comprehensive program to close the gap between manufacturer export potential performance and actual performance, and to deploy a next-generation trade promotion strategy, made possible by E-commerce (+10 pos.; +\$7,000). US&FCS will also work closely with TD on two other initiatives. First, under a broader DOC and interagency initiative, US&FCS will promote U.S. exports which support global clean energy, environmental health, and sustainable development (+2 pos.; +\$400). Second, in the interagency cultural heritage community development initiative, US&FCS will use cultural heritage tourism (especially regarding Native Americans) as a tool for economic development and building community pride in up to 10 pilot communities (0 pos.; +\$500).

Reimbursable ITA Fee Proposal

ITA proposes increasing fees to \$3.0 million. These fees for services provided (e.g. export counseling, market research) will be returned to the ITA entity generating the fee and used to assist small and medium-sized enterprises. Also, ITA will continue to refine products and services to better meet the needs of U.S. businesses.